



FOR REFERENCE ONLY

NOV 24 1986

Little Calumet

River Basin Development Commission

INDIANA COLLECTION
LITTLE CALUMET RIVER

8149 Kennedy Avenue

Highland, Indiana 46322

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PRESENTATION TO STATE BUDGET COMMITTEE

OCTOBER 1, 1986

1987 - 88 BIENNIUM BUDGET REQUEST

Gentlemen:

The Little Calumet River Basin Development Commission respectfully submits this request and documentation for your consideration for the 1987-88 biennium budget. The Development Commission requests \$3,000,000 in the State biennium capital budget for required non-federal items of cooperation toward construction of flood control, recreation and recreation navigation improvements with the United States of America (U.S. Army Corps of Engineers).

This document will set this funding request in perspective with previous State appropriations; in relation to the current Federal legislative status of the construction authorizing bills; and with respect to future construction/implementation requirements by the Corps of Engineers. Since its creation by the Indiana General Assembly in 1980, the Development Commission has budgeted State funds that best positioned the Commission to meet its non-federal project requirements with the Federal government upon construction authorization. The Development Commission has stressed the responsible use and stewardship of the State funds appropriated and allocated by the Budget Committee to date to meet project timetables, and we strongly wish to retain your support as this project reaches construction realization.

We believe the General Assembly has shown foresighted leadership in providing funding for six consecutive bienniums in the amount of \$10,468, 00. This previous support - utilized by the Development Commission for non-federal project credit items in anticipation of federal construction start - will supplant the need for major increases in State appropriations through the construction life of the project. What we believe the Development Commission does need is continued General Assembly and Budget Committee support in the range of \$3,000,000 - \$5,000,000 through the projected three budget bienniums of the project construction, beginning with this biennium. This level of support will enable the Development Commission to meet its non-federal obligations on schedule to assure timely construction completion; and enable the State Budget Committee to contain major fluctuations in appropriations needed to meet project financial/contractual non-federal obligations. We at the Development Commission believe this is a workable and realistic approach.

Outlined below is a series of status reports which document and identify present and projected future project requirements with which to view this biennial request.

I. FEDERAL PROJECT CONSTRUCTION AUTHORIZING STATUS

The Little Calumet River flood control and recreation project is at the brink of achieving federal authorization to proceed to construction. This past year, both the House (H.R.6) and the Senate (S.1567) favorably passed bills to authorize some 80 projects for Federal construction participation. The Little Calumet River Project was contained in both the House and Senate bills as well as included in President Reagan's FY 1987 budget recommended to Congress. This was the first year ever that the Little Calumet River Project has progressed to this point of bill passage in Congress and Presidential support.

A House/Senate conference committee is currently working out differences between the two versions passed and will issue a report to the President for signature by no later than October 15, 1986. The White House has indicated support for passage of water resources legislation this session and presidential signature would achieve long awaited construction status for the Little Calumet River Project. The result would be greatly accelerated activity by the Corps of Engineers leading to a projected 5-6 year construction period - with non-federal financial, land acquisition and construction items correspondingly needing to be in place.

II. PROJECT IMPLEMENTATION COST APPORTIONMENT

TOTAL PROJECT COST

\$80,800,000 (1985 dollars)

- Total Federal Cost Items \$56,800,000
- Total Non-Federal Cost Items \$24,000,000

NON-FEDERAL COST BREAKDOWN

- REAL ESTATE ACQUISITION & RELOCATIONS \$10,000,000
- BRIDGES & CULVERTS RECONSTRUCTION \$ 6,300,000
- UTILITIES RELOCATION/RECONSTRUCTION \$ 1,500,000
- CASH CONTRIBUTION BY NON-FEDERAL SPONSOR \$ 6,200,000

Includes as major items:

- FLOOD CONTROL MATCHING COSTS (\$3,900,000)
(5% cash contribution, up front for construction items in that year/cycle. New to the Reagan budget)
- 1/2 RECREATION COSTS (\$1,500,000)
- FISH & WILDLIFE MITIGATION (\$21,000)
- ENVIRONMENTAL ENHANCEMENT FEATURES (\$54,000)

Source: U. S. Congress bills H.R.6, S.1567
U. S. Army Corps of Engineers estimates

NOTE:

Total Project Cost and cost breakdowns represent the total cost estimate contained in the conference committee report recently passed by the House and Senate in Washington. The "Non-Federal Costs" are project totals and do not reflect any previous State/local appropriations or commitments in place for project match.

III. PROJECT STAGING/COST/NON-FEDERAL & AVAILABILITY

- ASSUME FALL 1986 PROJECT AUTHORIZATION
- CONSTRUCTION YEAR/CYCLE INCLUDES ITEM DESIGN & ENGINEERING, ITEM PLANS & SPECIFICATIONS & ITEM CONSTRUCTION

CONSTRUCTION CYCLE/YEAR	NEEDED NON-FEDERAL & OF TOTAL	PROJECT CONSTRUCTION SEQUENCE
I. October 1986 begin design October 1988 - October 1989	5 % \$1,275,000	1. Engineer & design levees Cline Avenue to Penn Central R.R. 2. Acquire project lands Cline Avenue to Penn Central R.R. 3. Engineer and design flow control structures & design disposal area
II. October 1989 - October 1990	32% \$7,650,000	4. Construct levees Cline Avenue to Penn Central R.R. 5. Construct flow control structures 6. Engineer & design levees/floodwalls StateLine to Cline Ave. 7. Acquire project land for levees/floodwalls State Line to Cline
III. October 1990 - October 1991	29% \$6,915,000	8. Engineer & design bridge & culvert replacement 9. Engineer & design pumping stations 10. Complete project land acquisitions, relocate necessary utility lines 11. Construct levees/floodwalls Illinois State Line to Cline
IV. October 1991 - October 1992	22% \$5,355,000	12. Construct bridge & culvert replacements 13. Construct pumping stations 14. Construct dredge disposal facility 15. Engineer & design channel modifications (dredging) 16. Engineer & design recreation plan
V. October 1992 - October 1993	12% \$2,805,000	17. Construct channel modifications 18. Construct recreation plan

Source: U.S. Army Corps of Engineers

NOTE: This chart reflects project needs and does not account for or credit State and local lands/appropriations already in place for project match.

IV. INDIANA GENERAL ASSEMBLY APPROPRIATIONS FOR LITTLE CALUMET RIVER PROJECT TO DATE

<u>FISCAL YEAR APPROPRIATIONS</u>	<u>AMOUNT</u>	<u>FUND SOURCE</u>
1975-76 & 76-77	\$ 600,000	Cigarette Tax Fund
1977-78 & 78-79	\$ 2,000,000	Cigarette Tax Fund
1979-80 & 80-81	\$ 1,700,000	Cigarette Tax Fund
1981-82 & 82-83	\$ 1,000,000	Cigarette Tax Fund
1983-84 & 84-85	\$ 1,768,800	General Fund
	(breakwater construction)	
	\$ 400,000	General Fund
	(general purposes)	
1985-86 & 86-87	\$ 3,000,000	General Fund
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TOTAL 12 years	\$10,468,800	

V. EXPENDITURES AND YEAR END 1986 CASH POSITION

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- Previously spent for Project purposes by Indiana D.N.R. (1976-1980) \$ 2,649,800.00
 - Initial project acquisition & development studies
 - Appraisals, related technical services
 - Project land acquisition
 - Expended to date by Development Commission for Project purposes (1981-present) \$ 3,780,760.00
 - Land appraisal/acquisition services
 - Project land acquisition
 - Portage-Burns Waterway breakwater construction
 - Lake Etta park development
 - Interim river dredging project
 - Current balances
 - Base Capital Invested \$ 700,000.00
 - Commission Local Operating Account \$ 277,437.00
 - Allotted State funds for draw down claim basis \$ 1,778,564.00
 - State Treasury Account yet to be allotted by State Budget Committee \$ 1,500,000.00
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VI. NON-FEDERAL PROJECT RESPONSIBILITIES ACCOMPLISHED TO DATE

A. DEVELOPMENT COMMISSION PROJECT LAND ACQUISITION PROGRAM

- Currently held project lands by Commission 171 parcels 1189 acres
- In process for acquisition by Commission 77 parcels 313 acres
- Private land remaining to be acquired by Commission 1135 acres

B. COMPATIBLE PUBLIC FLOODPLAIN LAND PURCHASE

In addition to the above mentioned acquisition, the Development Commission has worked closely with local municipal and county government bodies along the river corridor to commit public expenditures to project related purposes. To date over 900 acres of project lands have been purchased by other public bodies and are in public ownership. The Development Commission has discussed with these public bodies the use of these lands for project purposes. This will be accomplished by outright transfer to the Development Commission or by interlocal governmental agreements for construction/use with ownership remaining with the local authority.

- Lake County Park & Recreation Board 100 acres
- City of Gary, Gary Park Board 700 acres
- City of Hammond, Hammond Park Board 40 acres
- Town of Highland, Highland Park Board 80 acres

Approximate 920 acres

C. PROJECT SPECIFIED BRIDGE/CULVERTS RECONSTRUCTION

The Development Commission has worked closely with the Lake County Drainage Board, Lake County Highway Department and Indiana Department of Highways to begin assignment of cost responsibilities for culvert and bridge replacements as part of local share project costs. To date several important projects have been scheduled for planning or actual implementation in concert with long range Corps of Engineers plans. These projects are:

- Grant Street culverts replacement with adequately sized bridge - Indiana Department of Highways - 1986 preliminary engineering; construction 1988-89.
- Taft Street culverts removal project - Lake County Highway Department - 1986 implementation.
- Virginia Street obstruction removal project - Lake County Highway Department - 1986/87 implementation.
- Chase Street culverts replacement with adequately sized bridge - Lake County Highway Department, Little Calumet River Basin Commission, Corps of Engineers - preliminary design and engineering - 1986; construction hoped for in 1988-89.
- Indianapolis Blvd. bridge reconstruction - Indiana Department of Highways - 1986 inclusion in State "program of projects"; late 1986-87 engineering, 1989 construction planned.

D. RIVER CHANNEL IMPROVEMENTS

Over \$275,000 of local county and municipal funding (through contributions to the Little Calumet River Basin Commission) has been expended over a three year period by the Lake County Drainage Board improving the main river channel in accordance with Corps plan specifications. These improvements have aided flow on an interim basis for smaller occurrence flood periods. The channel has been improved over a two mile stretch in Gary, in an area most needing immediate attention.

E. PORTAGE - BURNS WATERWAY BREAKWATER & SMALL BOAT HARBOR PROJECT

- Project cost - \$3,540,000 (50% federal; 50% non-federal cost)
- Project construction status - 95% complete, Fall 1986 completion
- Project features:
 - Twin stone rubble-mound breakwaters to provide safe channel entry
 - Harbor area & 1/4 mile channel dredging with continued federal maintenance responsibility for breakwaters & dredging
 - Fishing access from breakwater for shore fishing
 - Development of 300 slip public use marina full service marina facility
 - Provides safe harbor entry for existing 550 boats harbored in Portage-Burns Waterway area
 - Provides impetus for significant private sector marina and marine related developments in area

F. GENERAL RECREATION DEVELOPMENT PROGRESS

Lake Etta, a 75 acre park development node, is located at 29th Avenue and Clark Road in the Black Oak section of Gary. The development of this park site is the first major recreation area undertaken for the Little Calumet River corridor by the Development Commission. Working through a joint venture agreement for development and operations with the Lake County Park Board, a total of \$750,000 of recreation facilities and site improvements are underway. Three Land and Water Conservation Fund 50/50 matching grants have been successfully pursued through the Lake County Park Board, making this site the first such awarded statewide, with \$300,000 of Federal funding awarded. By the summer of 1986 facilities at the site include: bank and pier fishing; fish cleaning facilities; picnic areas with shelters, tables and grills; 1/2 mile physical fitness/jogging/hiking trail; creative playground structure and play area; mowed grass area for family/group activities; canoe launch/river overlook; swimming lake; recreational paddle boat area; trail linkages; handicapped accessible facilities, support and restroom facilities. The city of Gary has additionally donated \$50,000 of community development funds for improvements to site access.

VII. ANALYSIS OF NON-FEDERAL COMMITMENTS/STATUS/FUTURE NEEDS

In analyzing the preceeding charts detailing the projected Project construction schedule; non-federal items of cooperation and cost sharing needed by specific dates; and progress to date by the Development Commission through State General Assembly funding and local commitments - the following reflects the current situation and future needs.

The situation is summarized by the four major categories of non-federal project responsibility.

1) LANDS/EASEMENTS/RIGHTS OF WAY ACQUISITION STATUS

STATUS: ● 1502 acres held/in process by Development Commission
● 920 acres publically held by other public bodies
● 68% of needed land currently acquired
● 1135 acres valued at \$5,137,240* need to be acquired
*(detailed in appendix)

NEED ANALYSIS: ● Approximately \$3,000,000 remains available in previously appropriated General Assembly funding for land acquisition purposes
● Estimated \$2,200,000 needs to be appropriated to complete land acquisition program

2) BRIDGES & CULVERTS RECONSTRUCTION

STATUS: ● State Highway Dept. commitments for bridge construction at Indianapolis Blvd. and Grant St.
● Lake County Highway Dept. commitments for culverts replacement at Taft, Virginia and Chase Streets
● Estimate of over \$1,500,000 of value for committed projects

NEED ANALYSIS: ● Assumption is that funding/scheduling commitments for bridges/culverts reconstruction of the respective State Highway Dept. and Lake County Highway Dept. who have jurisdictional and maintenance responsibility. These funding/scheduling commitments would need to be formalized by the Highway Departments, coordinated by directives from the State Budget Agency. This commitment would eliminate \$6,500,000 of costs currently assigned as non-federal responsibilities to the sponsor agency, with a corresponding savings of those costs needed to be appropriated by the General Assembly to the Development Commission.

2) BRIDGES & CULVERTS RECONSTRUCTION (Continued)

NEED ANALYSIS: ● Meeting convened by Budget Agency/Development Commission to begin to negotiate formalizing these commitments needs to be initiated.

- If commitments cannot be guaranteed, additional General Assembly funding will need to be requested in that amount lacking for State responsibilities.

3) UTILITIES RELOCATION & RECONSTRUCTION

NEED ANALYSIS: ● Estimated non-federal cost responsibility of \$1,500,000 is needed from General Assembly during project construction period.

4) NON-FEDERAL SPONSOR - CASH CONTRIBUTION

STATUS: ● This is a new feature contained in the Reagan/Senate Water Resources bill requirements

- It contains item including 5% cash contribution up front for flood control construction items in the year of their construction; 1/2 cost share of project recreation development in year of each item construction; and contributions to environmental enhancement (landscaping).

NEED ANALYSIS: ● A total of \$6,200,000 needs to be appropriated by the General Assembly for availability as match in designated construction years.

VIII. CONCLUSIONS

Based upon the preceeding analysis, certain conclusions can be made to best anticipate and meet the non-federal construction requirements for the project.

- Anticipating fall 1986 project construction authorization, actual construction is scheduled to begin in fall of 1989, contingent upon project land acquisition completion and non-federal funding availability. Construction is anticipated to take 6 - 7 years.
- Allowing that most non-federal items of cooperation are needed up front or concurrent with that particular construction year, the remaining non-federal funding by the Indiana General Assembly is needed over the next 3 State biennium budget periods.
- An additional \$9,900,000 - \$10,000,000 is needed over the next 3 biennium budget periods to meet project non-federal requirements.
- In order to meet anticipated project scheduling the funding is required as follows:

1987-88 biennium	\$3,000,000
1989-90 biennium	\$5,000,000
1991-92 biennium	\$2,000,000

Thank you for your consideration in this request.